

# **Department of Planning and Development**

Diane M. Sugimura, Director

#### MEMORANDUM

**TO:** Councilmember Sally Clark, Chair, COBE

Councilmember Sally Bagshaw Councilmember Tim Burgess

**FROM:** Diane M. Sugimura

**DATE:** December 3, 2010

**SUBJECT:** Committee Briefing: DPD Monthly Report on December 8, 2010

# **Construction Permitting Activity**

The end of the year is looking better than the beginning; November was a pretty good month financially. New 2009 construction codes went into effect on November 23, so we experienced a bit of a vesting rush during the month. As of the end of November, we have already exceeded the intake value for the entire year of 2009.

Building <u>permit applications</u> continue to be higher than in 2009, by about 7%. The intake value for the same period was about 17% higher than last year (\$1.72 billion compared with \$1.47 billion) so we hope we are finally out of the cycle of more permits with fewer dollars. These are fairly modest gains considering 2009 was such a low year. However, seeing stabilization and modest growth rather than a steady decline as we had seen over most of the past two years is encouraging.

In terms of <u>issued permits</u>, the volume continues to show moderate growth (about 6%), but the value continues to show a decline (\$1.37 billion compared with \$1.83 billion in 2009). This decrease of 25% in the value of issued permits represents the very modest intake values of 2009 and 2010. It also represents the fact that many applicants with large higher value projects in the system are in no hurry to have their permits issued.

# **Construction Performance Targets**

With our reduced staffing levels, we are having some difficulty meeting our performance targets for building permits, particularly when we have a surge in applications or in periods where there is a holiday or furlough. We continue to shift review resources to meet areas of high demand in an effort to come as close as possible to meeting targets.

For the three categories of permits (initial review targets):

- 48 hour (goal = 80%): 93% met target
- 2-week (goal = 80%): 32% met target; 75% reviewed within 3 weeks, and most projects were only missing target by a day or two.
- 6-week (goal = 70%): 66% met target; 78% within 7 weeks.

# **Master Use Permit Activity**

An area of some concern is Master Use Permits. Through the end of October we have received only 295 applications for MUPs, compared with the 320 applications for the same period last year. In the busy years of 2006 and 2007, we were seeing over 1,000 MUP applications a year, and we have long considered something in the area of 700 MUP applications to be a "normal" year. This is of particular concern since the MUPs are leading indicators – they frequently precede building permit applications by a number of months. We also took actions in response to the recession to lengthen the life of MUPs and instituted a hold policy over a year ago. This has resulted in many MUPs that are lying dormant; they may or may not result in building permit applications when the development climate improves. For these reasons it is possible that our volume and revenue in the Land Use line of business will remain below normal in 2011.

## **E-Plan Review Update**

We are continuing to move forward on development and implementation of an electronic plan submittal and review system. To this point we have selected certain applicants who expressed an interest in participating in our pilot. We have had 19 electronic submissions since starting the pilot in September, and will be issuing our first permit from this group in early December. So far feedback from customers and staff has generally been positive. In the next two months we plan on opening the system to all applicants who signed up to participate in the pilot. We hope to have the system available to all applicants by the end of the second quarter of 2011 when we release Version 2 of the system.

### **Rental Licensing and Inspections**

Thank you for your support for this program. We have a facilitator on board, and in mid-December, we are planning the first meeting of the stakeholder working group, formed under Council Resolution 31221. The group will provide input on policy questions related to the rental housing licensing and inspection program adopted under Ordinance 123311 last June. DPD is to provide a status report to Council in February.

### **City Planning**

We currently have two major pieces of legislation nearing the end of the Council process. Thank you for your support in passing the <u>Multifamily Code Update</u> out of Committee, including the proposed streamlined design review. And we appreciate your willingness to brave the weather and hold the public hearing on proposed <u>South Downtown</u> zoning changes. In spite of the weather; the hearing was well-attended. We look forward to continuing to work with you on the remaining issues, primarily incentive zoning, proposed heights and densities in Pioneer Square and south of Dearborn, and the effect of proposed zoning changes on small businesses east of I-5. We are currently working to respond to several Council questions regarding specific elements of the proposed legislation, and

meeting with DSA and other organizations to clarify specific technical aspects of the legislation.

Below is a summary of progress on Council initiatives in 2010, to date:

- 1. <u>Update to Pike/Pine Neighborhood Design Guidelines</u>. This legislation has been adopted by Council.
- 2. <u>Adaptive Re-use of Structures in Industrial Zones</u>. This legislation has been adopted by Council.
- 3. <u>Ballard Industrial Rezones</u>. This legislation has been adopted by Council.
- 4. Urban Agriculture. This legislation has been adopted by Council.
- 5. <u>Landscaping Utility Substations and Solid Waste Transfer Facilities</u>. This legislation is currently being considered by the Regional Development and Sustainability Committee.
- 6. <u>Greenwood Rezone Analysis.</u> The community process is complete; final recommendations have been presented to the community and published on DPD's website. Analysis of the rezone proposal is nearing completion. We are on schedule to submit the rezoning legislation in early 2011.
- 7. Roosevelt Rezone Analysis. Staff presented their analysis of the RNA's proposed rezoning to the community in November. Staff is now completing the Director's Report and ordinance for the rezoning legislation. We are awaiting confirmation from Council of funds available to conduct economic analysis necessary for the incentive zoning component of the proposed rezoning.
- 8. West Seattle Triangle. DPD concluded the formal advisory group process with a meeting devoted to land use issues. An open house event will be planned for early 2011 to present land use and right-of-way concepts to the public.
- 9. <u>Broadway Light Rail Station TOD</u>. The public involvement process continues to develop an Urban Design Framework for the ST parcels adjacent to the Broadway station and is on schedule for completion by 2<sup>nd</sup> quarter 2011. In January, the workshop will focus on site design, scale and circulation. In addition, programming and long term maintenance of the redevelopment and implementation strategies will be discussed. The workshop will be informed by other efforts such as the Creative Crossroads discussion about a community/cultural center and affordable housing within the redevelopment.
- 10. <u>Georgetown Zoning Review</u>. Staff has reached out to Georgetown residents to restart the process for addressing land use and zoning concerns. Staff will continue to follow-up and begin discussions with the industrial community. SDOT and Port have undertaken some outreach to the neighborhood.



### **Priority Green Permitting Program:**

Our new "Priority Green" program is up and running. To simplify, clarify and better direct applicants to the appropriate program, all green permitting incentives have been organized under the Priority Green name. Expedited permitting for green single family and townhomes has been in place since fall of 2009. In early November 2010, DPD expanded

expedited permitting to include green multifamily and commercial projects. In addition, a range of additional permitting incentives are available to applicants. A detailed briefing to Council has been planned for early January.

- Priority Green EXPEDITED shortens review times.
- Priority Green FACILITATED assists all project types that meet innovative green building standards that may encounter code challenges.
- Priority Green TOOLS provides additional incentives to assist applicants with cutting edge green projects meet code requirements.

### **Public Outreach and Information**

Tree Preservation Regulations: This fall, as part of our outreach efforts in developing recommendations for new tree preservation regulations, DPD received comments from a variety of sources: September Open House; discussions with four City-formed groups (Urban Forestry Commission, Emerald City Task Force, Planning Commission, Design Commission); discussions with 15 community and stakeholder groups (Inverness Neighborhood Board, Leschi Community Council, Community Council Federation, Jackson Place Community Council, Pigeon Point Community Council, Squire Park Community Council, View Ridge Community Council, Northwest District Council, North District Council, Northeast District Council, South East District Council, Thornton Creek Watershed Oversight Council, Congress for Residential Architects, Save the Trees Seattle, and Groundswell Northwest); as well as letters, emails and other correspondence from individuals and groups. DPD's recommendations are anticipated early next year.

<u>Landslide Meetings</u>: DPD and SPU co-sponsored two annual landslide awareness public meetings – November 20 at Northgate Community Center, and December 4 at South Seattle Community College. At the meetings the public heard tips for properly managing landslide prone property, and had the opportunity to talk with staff from DPD, SPU, Parks and SDOT, as well as with volunteers from the American Society of Civil Engineers, the Association of Engineering Geologists, the International Society of Arboriculture, and Associated Building Contractors.